TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION  TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES  TYPE OF PLAN MATERIAL  FOR: HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES  TYPE OF PLAN MATERIAL (Check One):    NEW STATE PLAN	TION 46a
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Bob Sharpe Deputy Secretary for Medica  14. TITLE: Agency for Health Care R hi	
Daputy Secretary P.O. Box 12600	.112
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Covered outpatient drugs are those produced by any manufacturer, which has entered into and complies with an agreement under Section 1927(a) of the Act, which are prescribed for a medically accepted indication. All Medicaid recipients 21 years of age and older will be limited to four brand-name drugs per month. There are no instances in which recipients under the age of 21 have system limitations placed on the number of prescriptions, brand or multi-source, they may receive. Generic drugs, insulin and diabetic supplies, contraceptives, mental health drugs, and anti-retroviral drugs are exempt from these limits. Based on the treatment needs of the Medicaid recipients, the agency may authorize exceptions to the brand-name-drug restriction. These exceptions will be based on prior consultation by the prescriber with the agency or agency contractor. Approved smoking cessation and nicotine replacement products are covered services. As provided by Section 1927(d)(2) of the Act, certain outpatient drugs may be excluded from coverage. Those excluded are DESI drugs; experimental drugs; anorectics (unless prescribed for an indication other than obesity); non-legend drugs (except insulin, aspirin, aluminum and calcium products used as phosphate binders, sodium chloride for specific medical indications, and OTC vaginal antifungals that have previously been legend drugs, when prescribed); and any drugs for which the manufacturer has not entered into rebate agreements with the Department of Health and Human Services, the Veteran's Administration and the Public Health Service. Cough and cold preparations are not covered services for recipients 21 years of age and older. Vitamin and mineral products are covered only under the following circumstances: prenatal vitamins; folic acid as a single entity; fluorinated pediatric vitamins; one vitamin or vitamin/mineral prescription monthly for a dialysis patient; and prescribed ferrous sulfate, gluconate, or fumarate for non-institutionalized patients. (Ferrous sulfate, gluconate, or fumarate is equally available as floor stock to institutionalized patients.) Non-Child Health Check-Up 221 recipients 21 years of age and older cannot receive immunizations, except for influenza and pneumococcal vaccines for institutionalized recipients. Drugs must be prescribed and dispensed in accordance with medically accepted indications for uses and dosages.

Drug Rebate Agreements: The state is in compliance with Section 1927 of the Act. Based on the requirements for Section 1927 of the Act, the state has the following policies for drug rebate agreements:

- The drug file permits coverage of participating manufacturers' drugs.
- Compliance with the reporting requirements for state utilization information and restrictions to coverage.
- Rebate agreements between the state and a drug manufacturer that are separate from the drug rebate agreements of Section 1927 are approved by the Centers for Medicare and Medicaid Services. The state reports rebates from separate agreements to the Secretary for Health and Human Services. The state will remit the federal portion of any cash state supplemental rebates collected.
- Manufacturers are allowed to audit utilization data.
- The unit rebate amount is confidential and cannot be disclosed for purposes other than rebate invoicing and verification.
- Prior authorization programs provide for a 24-hour turn-around on prior authorization from receipt of request, and at least a 72-hour supply in emergency situations.

Amendment 2001-07 Effective 7/1/2001 Supersedes 2001-06 Approved SEP 1 8 2001

Revised submission 09/14/2001

<u>Preferred Drug List with Prior Authorization:</u> In accordance with Florida Statute 409.91195 and pursuant to 42 U.S.C. s1396r-8, there is created a preferred drug list with prior authorization for drugs not included on the preferred drug list. The makeup and appointment authority for the Pharmaceutical and Therapeutic Committee is modified to comply with 42 U.S.C. s1396r-8.

## **Prior Authorization Requirements:**

In accordance with Florida Statute 409.912, prior authorization requirements may be established for certain drug classes, particular drugs, or medically accepted indications for uses and doses.

## State Supplemental Rebates:

Florida Statute 409.912 authorizes the state to negotiate supplemental rebates from manufacturers that are in addition to those required by Title XIX of the Social Security Act.

<u>Prescription Discount Programs</u>: In accordance with Florida Statutes 409.9066, Medicare Prescription Discount Program, and as provider enrollment criteria are developed at the discretion of the Agency, it is required as a condition of Medicaid provider enrollment that Medicaid participating pharmacy providers give price discounts to Medicare recipients who are Florida residents.

Amendment 2001-07 Effective 7/1/2001 Supersedes New Approved SEP 1 8 2001

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Amendment 2001-07
Effective 7/1/2001
Supersedes 2001-06
Approved SFP 1 8 2001
Revised submission 09/14/2001

### PRESCRIBED DRUGS:

#### Attachment 3.1-B

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Amendment 2001-07
Effective 7/1/2001
Supersedes New 1 8 2001
Approved SEP 1 8 2001
Revised submission 09/14/2001





# Memorandum

Date:

September 18, 2001

From:

Associate Regional Administrator, CMS, DMSO, Region IV, Atlanta, GA

**Subject:** 

Florida Title XIX State Plan Amendment, Transmittal #01-07

To:

Elliott Weisman, CMS, CMSO, Baltimore, MD

A copy of the subject plan amendment is forwarded for your information.

The effective date of this amendment is July 1, 2001.

Eugene A. Grasser

Attachment